

20 October 2021

ASX ANNOUNCEMENT

ASX: ASN, ASNOC

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Anson Granted Approval To Drill Lithium-Bromine Production Wells

Highlights:

- **Anson takes major step towards production at its Paradox Brine Project with Utah Government approval to drill two lithium and other minerals production wells**
- **Road and drill pad construction to commence in the near future**
- **Wells located nearby:**
 - **Known high pressure, porosity, and brine flow rate at Robert's Rupture**
 - **Highest grade lithium at Long Canyon No. 2 Well – 253ppm**
 - **Existing pipeline corridor for transport brine to proposed processing plant sites**
- **Provides improved ESG credentials & economics by utilising existing infrastructure**

Anson Resources Limited (Anson or the Company) is pleased to announce that approval has been granted for its Application Permit to Drill (APD) two production wells (LCW-1 & LCW-2) for the extraction of brine to produce lithium carbonate, bromine and other minerals on the Little Utah State claims within the Company's Paradox Brine Project in Utah (the Project).



Figure 1: Government of Utah representatives conducting an inspection of the proposed production well sites

The APD was submitted to the School and Institutional Trust Lands Administration (SITLA) of the State of Utah and the Department of Natural Resources, Division of Oil, Gas and Mining (UDOGM). A site inspection was conducted by representatives of SITLA and UDOGM in August 2021, See Figure 1.

Significantly, the two production bores (LCW-1 and LCW-2) are located on the “The Little Utah”, lease which covers 80 acres and was granted to Anson by the Utah State government earlier this year under Other Business Arrangement (OBA), see ASX Announcement 30 March 2021. An OBA allows for special consideration to bring significant projects into production, demonstrating the Government of Utah’s support for the development of the Project.

Anson is in negotiations with earth moving and construction companies for the construction of roads and the drilling pads and expects the construction of the access roads and the drill pads to commence once negotiations are completed.

The access roads and dill pads have been surveyed and marked up for construction, see Figures 2 and 3. Access routes to the proposed wells are via existing tracks established for previous government seismic studies to ensure as little surface disturbance as possible. The drill pad design approved in the APD is shown in Figure 2.

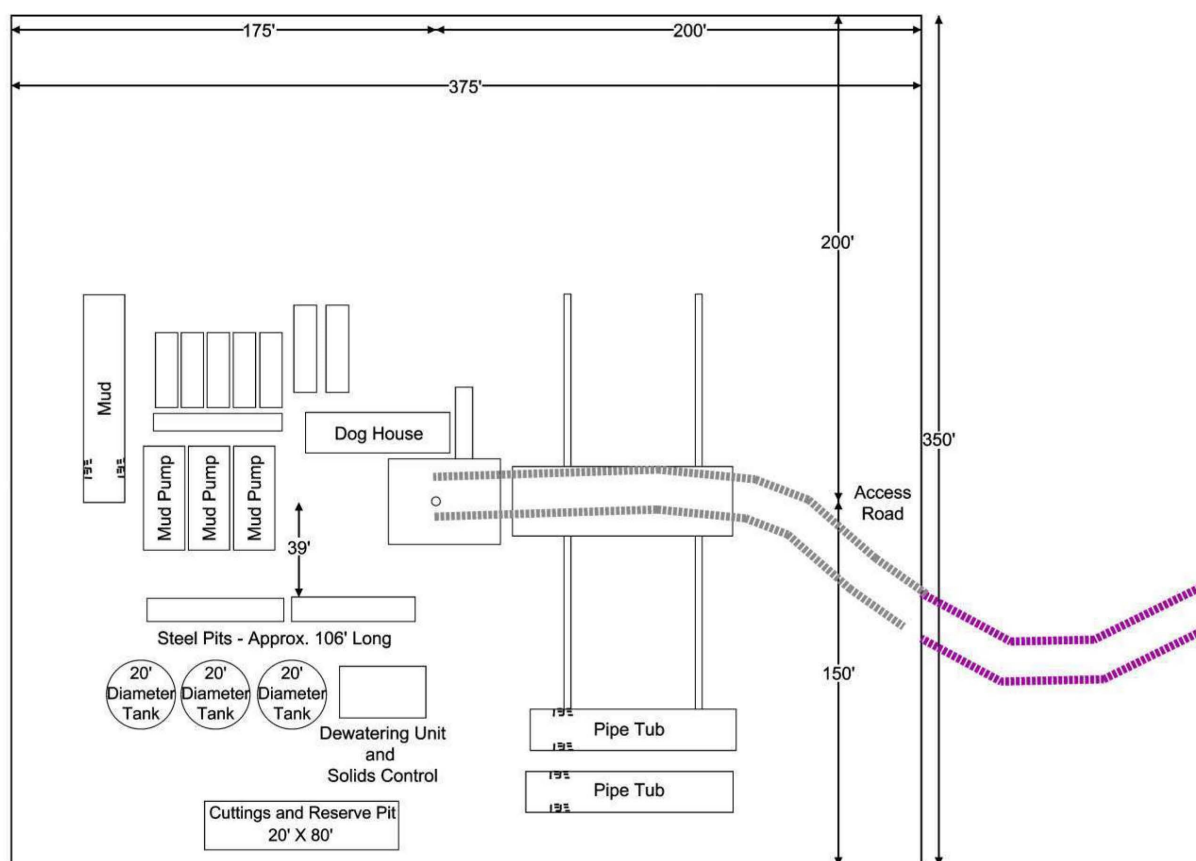


Figure 2: The plan of the LCW2 drill pad layout (not to scale).

The location of the production wells has been carefully selected to take advantage of geological conditions and proximity to existing infrastructure to minimise additional environmental disturbance. The wells are also near to a geological feature known has “Roberts Rupture”, the Long Canyon No.2 well with assayed grades of 253ppm Li and 3,925ppm Br, see ASX Announcement of 1 April 2019.

In addition, the proposed wells sites are near to the existing gas pipeline corridor which the Anson plans to utilised for the transport of the brine to the lithium and bromine processing plants. See Figure 3 for the location of the Special Use Lease Area (SULA) granted to Anson.

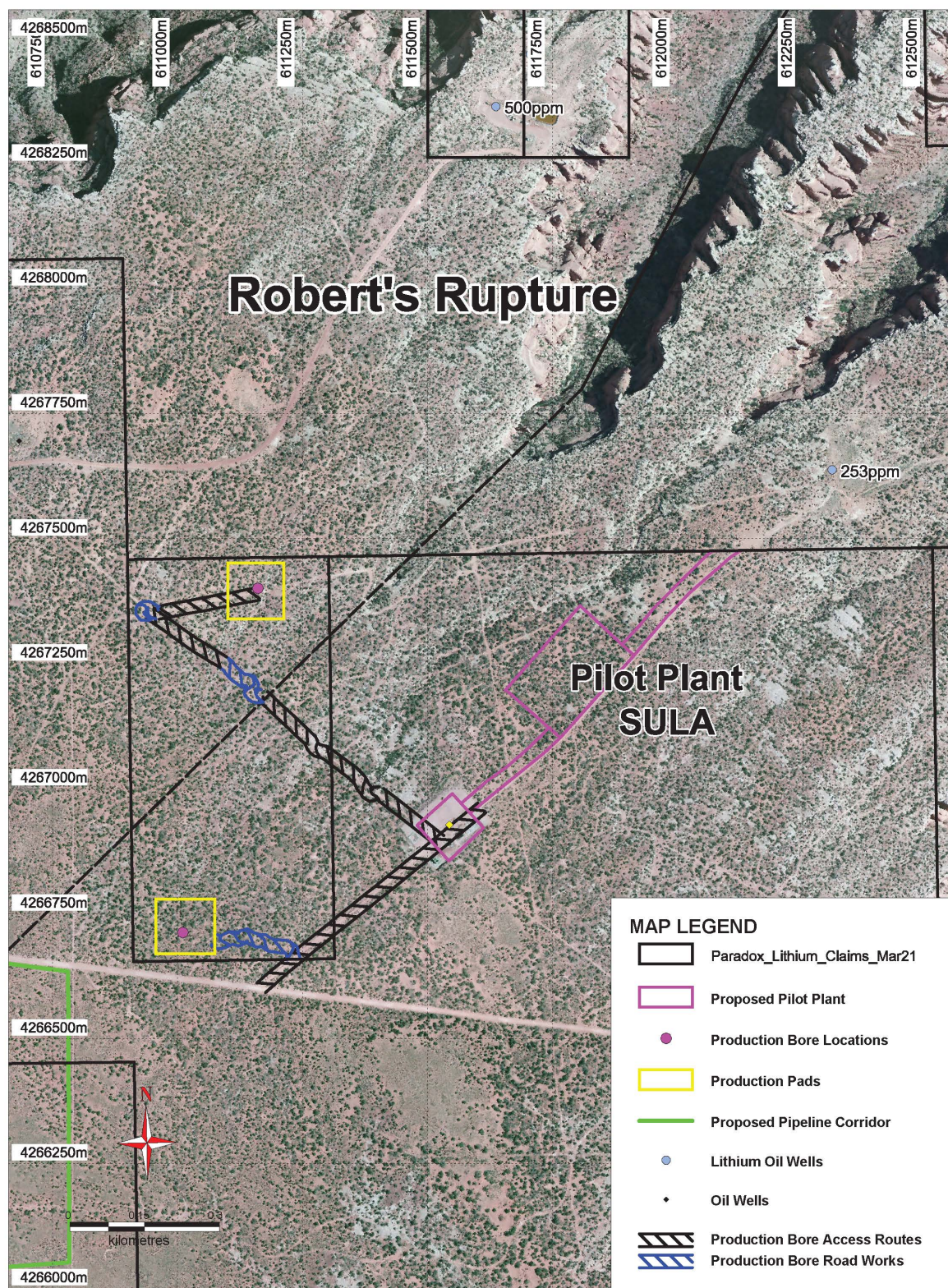


Figure 3: Plan showing the location of the production bores in relation to the pilot plant site.

The unique over pressuring of the brine improves the ESG elements of the Project. In particular, Anson's well engineers have optimised the size of the extraction pipe to use the over pressuring as a source of energy which not only brings the brine to surface but also enables the transport of the brine to the planned production plant approximately 30 miles away without the use of fossil fuels usually required to pump the brine, reducing the impact on the environment. Furthermore, as no fossil fuels are required to pump the brine, no trucking of fossil fuels to the site is required, again reducing emissions.

Anson's Executive Chairman and CEO, Bruce Richardson, commented: *"The granting of the application permit to drill two production wells at the Paradox Brine Project represents a major step towards commencing production. These production wells will provide a significant insight into the engineering and logistics of the Paradox operation, with location of the wells carefully considered and nearby the lithium bromine plant planned to be built at Blue Hills.*

"By leveraging the pressure created by Robert's Rupture, Anson can transport the brine to a location which has easy access to power, gas and transportation without pumping which has a direct impact upon production costs. In addition, the location of the wells provides access to an existing pipeline corridor where ground disturbance has already occurred. Anson has carefully considered and designed the extraction process to ensure minimal ground disturbance and impact on social and recreational activities in the area in which we operate as part of adherence to our focus on our ESG policy."

Paradox Brine Project Production Wells Background

The two production wells will be drilled on the Little Utah Mineral Lease (ML-54099) that abuts the existing 1,310 unpatented placer claims of the Project area, which are administered by the Bureau of Land Management (BLM). The co-ordinates for the two production drill sites are shown in Table 1 and are located only 180m from Robert's Rupture (see Figure 3), a geological feature where extensive fracturing has occurred in the sub-terranean rock which has resulted in higher pressure allowing the supersaturated brine to flow to surface under its own pressure (artesian flow). In addition, the sites are located approximately 1.2km from the Long Canyon No 2 well, which has the highest lithium values of up to 253ppm sampled by Anson to date (see ASX announcements 1 April 2019, and 11 May 2020).

Proposed Hole	Northing (m)	Easting (m)	Elevation (ft)	Azim (°)	Drill Depth (ft)	Vertical Depth (ft)
LCW-1	4267400.1	611160.7	6,032	360	6,600	6,380
LCW-2	4266712.0	611011.0	6,054	Vertical	6,500	6,500

Table 1: Proposed production well locations co-ordinates & depths.

One directional well, LCW-1, will be drilled with a vertical depth of 6,380 feet with an azimuth of 360 degrees to position the bottom of the well towards Robert's Rupture and the Long Canyon 2 well where porosity and grade are already understood from previously completed flow and down hole geophysical test work. Historical geophysical logs from the Utah State 16 well, which is 350m to the east of LCW-2, have recorded high porosity values for Clastic Zone 31. LCW-2 will be drilled vertically to a depth of 6,500 feet.

Engineering work has been completed to calculate the flow rates to surface with sufficient pressure to flow the brine from the production well to the planned lithium bromine production plant at Blue Hills. By taking advantage of the abnormally high pressure resulting from the geological event that created Robert's Rupture, it is expected that the brine will not need to be pumped from the well or pumped to the Blue Hills bromine lithium plant 30 miles from the point of extraction. This is expected to impact favourably on production costs as well as minimising the need to use fossil fuels to power pumps.

This announcement has been authorised for release by the Executive Chairman and CEO.

ENDS

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Competent Person's Statement: The information in this Announcement that relates to exploration results and geology is based on information compiled and/or reviewed by Mr Greg Knox, a member in good standing of the Australasian Institute of Mining and Metallurgy. Mr Knox is a geologist who has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters based on information in the form and context in which they appear. Mr Knox has reviewed and validated the metallurgical data and consents to the inclusion in this Announcement of this information in the form and context in which it appears. Mr Knox is a director of Anson and a consultant to Anson.